

August 25, 2022

To All Concerned Parties

Name of REIT Issuer:

Invincible Investment Corporation
Naoki Fukuda, Executive Director
(Securities code: 8963)

Asset manager:

Consonant Investment Management Co., Ltd.
Naoki Fukuda, President & CEO
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Notice concerning Differences between Forecast and Actual Financial Results and Distribution for the 38th Fiscal Period Ended June 2022

Invincible Investment Corporation (“INV”) today announced the differences between its forecast of financial results and Distribution per Unit (“DPU”) for the fiscal period ended June 2022 (38th Fiscal Period), as announced in “Notice concerning Revision of Forecast of Financial Results and Distribution for the 38th Fiscal Period Ending June 2022” dated May 25, 2022, and the actual results announced today.

1. Differences between the forecast and actual financial results and distribution for the fiscal period ended June 2022 (from January 1, 2022 to June 30, 2022)

	Operating Revenues	Operating Income	Ordinary Income	Net Income	Total Distribution Amount
Previous forecast (A) (announced on May 25, 2022)	JPY million 7,291	JPY million 1,614	JPY million 480	JPY million 480	JPY million 475
Actual Results (B)	JPY million 7,680	JPY million 2,114	JPY million 1,015	JPY million 1,015	JPY million 1,012
Amount of Variance (B) – (A)	JPY million 388	JPY million 499	JPY million 535	JPY million 535	JPY million 536
Rate of variance ((B) – (A)) / (A)	% 5.3	% 31.0	% 111.3	% 111.5	% 112.8

This English language notice is a translation of the Japanese-language notice released on August 25, 2022 and was prepared solely for the convenience of, and reference by, non-Japanese investors. It is not intended as an inducement or solicitation for investment. We caution readers to undertake investment decisions based on their own investigation and responsibility. This translation of the original Japanese-language notice is provided for informational purposes only, and no warranties or assurances are given regarding the accuracy or completeness of this English translation. Readers are advised to read the original Japanese-language notice. In the event of any discrepancy between this translation and the Japanese original, the latter shall prevail in all respects.

	Earnings per Unit (Note)	Distribution per Unit (Excluding Excess Profit Distribution per Unit) (Note)	Excess Profit Distribution per Unit (Note)	Distribution per Unit (Including Excess Profit Distribution per Unit) (Note)
Previous forecast (A) (announced on May 25, 2022)	JPY 78	JPY 78	JPY -	JPY 78
Actual Results (B)	JPY 166	JPY 166	JPY -	JPY 166
Amount of Variance (B) – (A)	JPY 88	JPY 88	JPY -	JPY 88
Rate of variance ((B) – (A)) / (A)	% 112.8	% 112.8	% -	% 112.8

(Note) The total number of investment units issued and outstanding at the end of the fiscal period: 6,096,840 units

2. Reasons behind the differences

While the earnings forecasts were slightly conservative in view of the uncertainty under the COVID-19 pandemic, the performance of our domestic and overseas hotels exceeded our expectations towards the end of the fiscal period. Rental revenues from the hotels operated by INV's main tenant, MyStays Hotel Management Co., Ltd. and its affiliates exceeded the forecast by JPY 248 million and management contract revenue from the Cayman hotels exceeded the forecast by JPY 259 million. As a result, differences arose between the previous forecast and the actual results as described above, including an increase in net income of JPY 535 million, or 111.5%.

The forecast of financial results and DPU for the fiscal period ending December 2022 (39th Fiscal Period: from July 1, 2022 to December 31, 2022) remains unchanged as TBD and will be announced at a later date once finalized.

Website of INV: <https://www.invincible-inv.co.jp/en/>

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